

Amendments to House Bill No. 351  
1st Reading Copy

Requested by Representative Hal Jacobson

For the House State Administration Committee

Prepared by Sheri Heffelfinger  
January 26, 2007 (8:44am)

1. Title, page 1, line 5.

**Following:** "STATE"

**Insert:** "OR HAVING A FINANCIAL INTEREST IN A CONTRACT OR  
SUBCONTRACT WITH THE STATE"

2. Title, page 1, line 5.

**Strike:** "SECTION"

**Insert:** "SECTIONS"

**Following:** "2-2-111"

**Insert:** "AND 2-2-201"

3. Page 1, line 17.

**Following:** "state"

**Insert:** "or have a direct or indirect financial interest in a  
contract or subcontract with the state"

4. Page 1.

**Following:** line 19

**Insert:** "Section 2. Section 2-2-201, MCA, is amended to read:

"2-2-201. **Public officers, employees, and former employees not to have interest in contracts.** (1) ~~Members of the legislature, state~~ State, county, city, town, or township officers; or any deputies or employees of an enumerated governmental entity may not be interested in any contract made by them in their official capacity or by any body, agency, or board of which they are members or employees if they are directly involved with the contract. A former employee may not, within 6 months following the termination of employment, contract with or be employed by an employer who contracts with the state or any of its subdivisions involving matters with which the former employee was directly involved during employment.

(2) In this section, the term:

(a) "be interested in" does not include holding a minority interest in a corporation;

(b) "contract" does not include:

(i) contracts awarded based on competitive procurement procedures conducted after the date of ~~employment~~ employment termination of employment;

(ii) merchandise sold to the highest bidder at public

auctions;

(iii) investments or deposits in financial institutions that are in the business of loaning or receiving money;

(iv) a contract with an interested party if, because of geographic restrictions, a local government could not otherwise reasonably afford itself of the subject of the contract. It is presumed that a local government could not otherwise reasonably afford itself of the subject of a contract if the additional cost to the local government is greater than 10% of a contract with an interested party or if the contract is for services that must be performed within a limited time period and no other contractor can provide those services within that time period.

(c) "directly involved" means the person directly monitors a contract, extends or amends a contract, audits a contractor, is responsible for conducting the procurement or for evaluating proposals or vendor responsibility, or renders legal advice concerning the contract;

(d) "former employee" does not include a person whose employment with the state was involuntarily terminated because of a reduction in force or other involuntary termination not involving violation of the provisions of this chapter."

{ Internal References to 2-2-201:

x2-2-203

x2-15-1814

x18-4-141

x18-4-141

x20-25-109} "

**Renumber:** subsequent section

- END -